

City Council, City and County of Honolulu  
Wednesday, February 15, 2012 10 a.m.

TO: Chair, Ernest Y. Martin,  
Vice Chair, Ikaika Anderson,  
Romy M. Cachola, Floor Leader  
Councilmember Tom Berg  
Councilmember Stanley Chang  
Councilmember Tulsi T. Gabbard  
Councilmember Nestor R. Garcia  
Councilmember Breene Harimoto  
Councilmember Ann H. Kobayashi

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FROM: Susan Houghton, Director of Public Affairs and Government Relations

**RE: Testimony in Opposition to Bill 10, Relating to the use of bags provided to customers.**

Chair Martin, Vice Chair Anderson and Councilmembers:

Thank you for the opportunity to submit testimony in opposition to Bill 10, Relating to the use of bags provided to customers. Our company operates 19 stores in Hawai'i – of which 13 are on the island of O'ahu.

While we support the intent of the measure, we believe a fee on single-use bags is the preferred vehicle because this provides the opportunity to reduce the use of both paper and plastic bags. Both have significant effects on the environment. Currently, the state legislature is considering similar legislation.

Since the plastic bag bans took effect on the neighbor islands last year, our stores have seen a significant cost escalation of over \$30,000 annually due to increased consumer use of paper bags. Because the paper bags are free, consumers essentially have no reason to not take them. Conversely, when cities and counties have placed a small fee on paper bags, a strong disincentive emerges. Such has been the case in the city of San Jose, California – where plastic bags were completely banned beginning January 2012 and retailers now charge .10 cents per paper bag. Consumers have adapted their behavior and our paper bag usage is down considerably (only one in four customers is purchasing a bag).

Thank you for the opportunity to share our views on this important legislation. Should you have additional questions, please do not hesitate to contact me at (925) 467-2212 or George Glukfeld, our Hawaii district manager at (808) 524-4554.

Sincerely,



Susan M. Houghton  
Director of Public Affairs and Government Relations